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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/043,989	01/09/2002	Michael D. Brown	057799-2001 (157450-0006)	8093
7590 Bernard L. Kleinke Foley & Lardner 23rd Floor 402 West Broadway San Diego, CA 92101-3542			EXAMINER JOHNSON, GREGORY L	
			ART UNIT 3691	PAPER NUMBER
SHORTENED STATUTORY PERIOD OF RESPONSE			MAIL DATE	DELIVERY MODE
3 MONTHS			01/08/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary

Application No.

10/043,989

Applicant(s)

BROWN ET AL.

Examiner

GREGORY JOHNSON

Art Unit

3691

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 09 January 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 09 January 2002 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB/08)
- Paper No(s)/Mail Date 11/22/2002.

- 4) ☐ Interview Summary (PTO-413)
- Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____.

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DETAILED ACTION

1. This is in response to the application filed on 09 January 2002. Claims 1-13 have been examined.

Priority

2. The later-filed application must be an application for a patent for an invention which is also disclosed in the prior application (the parent or original non-provisional application or provisional application). The disclosure of the invention in the parent application and in the later-filed application must be sufficient to comply with the requirements of the first paragraph of 35 U.S.C. 112. See *Transco Products, Inc. v. Performance Contracting, Inc.*, 38 F.3d 551, 32 USPQ2d 1077 (Fed. Cir. 1994).

The disclosure of the prior-filed application, Application No. 60/337,758, fails to provide adequate support or enablement in the manner provided by the first paragraph of 35 U.S.C. 112 for one or more claims of this application 10/043,989.

The above-mentioned applications disclose different subject matter and inventors.

Oath/Declaration

3. The oath or declaration is defective. A new oath or declaration in compliance with 37 CFR 1.67(a) identifying this application by application number and filing date is required. See MPEP §§ 602.01 and 602.02.

The oath or declaration is defective because:

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Applicant's claim for the benefit under Title 35, U.S.C. 119(e) of a United States provisional application is rejected. The applicants are not listed as an inventor on application number 60/337,758.

Specification

4. The disclosure is objected to because of the following informalities:

Priority claim to U.S. Provisional Patent Application No. 60/337,758 is rejected.

The applicants are not listed as an inventor on application number 60/337,758.

Appropriate correction is required.

Claim Rejections - 35 USC § 112

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1-13 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 1, 7 and 13 recite the limitation "said death benefit" in the second paragraph of each claim. There is insufficient antecedent basis for this limitation in the claims. For purposes of applying prior art, the Examiner will interpret the term "death

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benefit" to represent the amount of money paid or due to be paid when a person insured under a life insurance policy dies.

Claims 2-6 and 8-12 are rejected for their dependency upon the above rejected claims.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1, 4-7 and 10-13 are rejected under 35 U.S.C. 102(b) as being anticipated by Sexton et al. (herein Sexton), Pat. No. 5,752,236.

As to claims 1 and 7, Sexton discloses a method and system of transferring wealth, comprising:
causing a transferee to purchase an insurance policy from an insurance seller on the life of an insured individual, said policy comprising a cash value and a term benefit (col.6, lines 62-68 and col. 7, lines 1-4);

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dividing ownership of said policy between said transferee and a transferor, wherein said transferee owns said cash value and said transferor owns said death benefit in said divided ownership (col. 4, lines 54-59; col. 6, lines 62-68; and col. 7, lines 1-4); causing said transferor to transfer wealth as premiums for at least said death benefit (col. 15, lines 9-18); and unifying ownership of said policy with said transferee (col. 1, lines 42-46; col. 6, lines 62-68; and col.7, lines1-4).

As to claims 4 and 10, Sexton discloses the method according to claim 1, wherein dividing is pursuant to a split-dollar agreement (col. 14, lines 65-67 and col. 15, lines 1-18).

As to claims 5 and 11, Sexton discloses the method according to claim 4, wherein said unifying is pursuant to cancellation of said split-dollar agreement (col. 1, lines 42-46; col. 6, lines 62-68; and col.7, lines1-4).

As to claims 6 and 12, Sexton discloses the method according to claim 1, wherein said transferee is a trust (col. 2, lines 48-54 and col. 15, lines 9-12).

As to claim 13, Sexton discloses a program product, comprising machine-readable program code (col. 20, claim 12) for causing a machine to perform the following method steps:

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causing a transferee to purchase an insurance policy from an insurance seller on the life of an insured individual, said policy comprising a cash value and a term benefit (col.6, lines 62-68 and col. 7, lines 1-4);

dividing ownership of said policy between said transferee and a transferor, wherein said transferee owns said cash value and said transferor owns said death benefit in said divided ownership (col. 4, lines 54-59; col. 6, lines 62-68; and col. 7, lines 1-4);

causing said transferor to transfer wealth as premiums for at least said death benefit (col. 15, lines 9-18); and

unifying ownership of said policy with said transferee (col. 1, lines 42-46; col. 6, lines 62-68; and col.7, lines1-4).

Claim Rejections - 35 USC § 103

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.

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4. Considering objective evidence present in the application indicating obviousness or nonobviousness.
9. Claims 2-3 and 8-9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sexton et al. (herein Sexton), Pat. No. 5,752,236 in view of Kavanaugh, Pat. No. 6,950,805 B2.

As to claims 2-3 and 8-9, Sexton does not explicitly disclose a method of transferring wealth, comprising:
causing transferor to borrow a first loan from a lender, said first loan being sufficient to match said premiums for at least said death benefit; and
causing said transferor to borrow a second loan from a lender, said second loan being sufficient to purchase an annuity, said annuity providing an annual benefit.

However, Kavanaugh teaches that borrowed money can be used to purchase annuity contracts and said contracts can be used to pay the initial cost of life insurance and ongoing life insurance premiums (col. 7, lines 3-12 and 25-37).

It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include the aforementioned limitations as disclosed by Kavanaugh within Sexton for the motivation of funding life insurance policies using annuities to reduce and/or eliminate tax liability.

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Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to GREGORY JOHNSON whose telephone number is (571) 272-2025. The examiner can normally be reached on Monday - Friday, 8:30AM - 5:00PM.

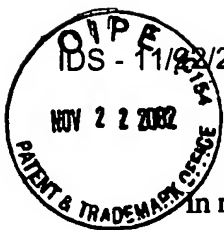
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ALEXANDER KALINOWSKI can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Laton M. Jd
Primary Examiner,
3691

GREGORY JOHNSON
Examiner
Art Unit 3691





IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:

Michael D. Brown et al.

Application No.: 10/043,989

Filed: January 9, 2002

For: **METHOD AND APPARATUS FOR
ESTABLISHING AND
ADMINISTERING A WEALTH
TRANSFER PLAN**

Examiner: Unknown

Art Group: 2164

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GROUP 3600

INFORMATION DISCLOSURE STATEMENT

Commissioner for Patents
Washington, DC 20231-9998

Dear Sir:

In accordance with Applicants' duty of disclosure under 37 C.F.R. § 1.56, and in accordance with 37 C.F.R. §§ 1.97-1.98, Applicants submit the enclosed Form PTO/SB/08A (Modified), along with copies of the documents listed therein.

It is hereby stated that this Information Disclosure Statement is being filed before the mailing of an Office Action. Applicants do not believe that a fee is required. However, if any fee is required, please charge Deposit Account No. 09-0946. An extra copy of the Fee Transmittal is enclosed for Deposit Account charging purposes.

Respectfully submitted,

IRELL & MANELLA LLP

Dated: November 16, 2002

Mark L. Niu
Mark L. Niu, Reg. No. 52,075

CERTIFICATE OF MAILING

840 Newport Center Drive, Suite 400
Newport Beach, CA 92660
(949) 760-0991

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner for Patents, Washington, D.C. 20231 on November 16, 2002.

Darla Cleveland

11-16-02
Date



Form PTO/SB/08A (Modified)

**INFORMATION DISCLOSURE
STATEMENT BY APPLICANT**

(use as many sheets as necessary)

Sheet 1

of

2

Complete if known

Application Number	10/043,989
Filing Date	January 9, 2002
First Named Inventor	Michael D. Brown et al.
Group Art Unit	2164
Examiner Name	Unknown
Attorney Docket Number	157450-0006

U.S. PATENT DOCUMENTS

Examiner Initials	Cite No.	U.S. Patent Document		Name of Patentee or Applicant of Cited Document	Date of Publication of Cited Document MM-DD-YYYY	Pages, Columns, Lines, Where Relevant Passages or Relevant Figures Appear
		Number	Kind Code			
GJ	1.	6,304,859		Ryan et al.	10-16-2001	
	2.	6,161,096		Bell	12-12-2000	
	3.	6,064,969		Haskins	05-16-2000	
	4.	6,018,714		Risen, Jr. et al.	01-25-2000	
	5.	5,999,917		Facciani et al.	12-07-1999	
	6.	5,966,693		Burgess	10-12-1999	
	7.	5,933,815		Golden	08-03-1999	
	8.	5,907,828		Meyer et al.	05-25-1999	
	9.	5,839,118		Ryan et al.	11-17-1998	
	10.	5,819,230		Christie et al.	10-06-1998	
	11.	5,761,441		Bennett	06-02-1998	
	12.	5,752,236		Sexton et al.	05-12-1998	
	13.	5,631,828		Hagan	05-20-1997	
	14.	5,479,344		Keziah, Jr.	12-26-1995	
	15.	5,429,506		Brophy et al.	07-04-1995	
	16.	5,233,514		Ayyoubi et al.	08-03-1993	
	17.	5,231,571		D'Agostino	07-27-1993	
	18.	5,214,579		Wolffberg et al.	05-25-1993	
	19.	5,191,522		Bosco et al.	03-02-1993	
	20.	4,648,037		Valentino	03-03-1987	
GJ	21.	3,634,669		Soumas et al.	01-11-1972	

GROUP 3500

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OTHER DISCLOSURES - NON PATENT LITERATURE DOCUMENTS

Examiner Initials	Cite No.	Include name of the author (in CAPITAL LETTERS), title of the article (when appropriate), title of the item (book, magazine, journal, serial, symposium, catalog, etc.), date, page(s), volume-issue number(s), publisher, city and/or country where published.
GJ	22.	Douglas R. ANDREW, "The Ultimate Arbitrage," Stratos, February 2002.
GJ	23.	Deborah L. JACOBS, "Divide and Conquer," Bloomberg Wealth Manager, July/August 2000 (http://wealth.bloomberg.com/wealth/wealth1/articles/plan1_00089.html).
GJ	24.	Internal Revenue Service, "Split-Dollar Life Insurance Arrangements," I.R.S. Notice 2002-8, 2002-4 I.R.B. 398 (January 28, 2002).

Examiner: /Gregory Johnson/

Date Considered: 12/13/2006

Examiner: Initial if reference considered, whether or not citation is in conformance with MPEP 609. Draw line through citation if not in conformance and not considered. Include copy of this form with next communication to applicant.



Form PTO/SB/08A (Modified)

INFORMATION DISCLOSURE STATEMENT BY APPLICANT (use as many sheets as necessary)				Complete if known	
				Application Number	10/043,989
				Filing Date	January 9, 2002
				First Named Inventor	Michael D. Brown et al.
				Group Art Unit	2164
				Examiner Name	Unknown
Sheet	2	of	2	Attorney Docket Number	157450-0006

OTHER DISCLOSURES – NON PATENT LITERATURE DOCUMENTS		
Examiner Initials	Cite No.	Include name of the author (in CAPITAL LETTERS), title of the article (when appropriate), title of the item (book, magazine, journal, serial, symposium, catalog, etc.), date, page(s), volume-issue number(s), publisher, city and/or country where published.
GJ	25.	Internal Revenue Service, Private Letter Ruling 96-36-033 (March 12, 1996).
GJ	26.	Internal Revenue Service, Private Letter Ruling 97-45-019 (August 8, 1997).

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Examiner: /Gregory Johnson/ Date Considered: 12/13/2006

Examiner: Initial if reference considered, whether or not citation is in conformance with MPEP 609.
Draw line through citation if not in conformance and not considered. Include copy of this form with next communication to applicant.

Notice of References Cited

Application/Control No.

10/043,989

Applicant(s)/Patent Under

Reexamination

BROWN ET AL.

Examiner

GREGORY JOHNSON

Art Unit

3691

Page 1 of 1

U.S. PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Name	Classification
*	A	US-6,950,805	09-2005	Kavanaugh, Bart	705/35
*	B	US-5,752,236	05-1998	Sexton et al.	705/4
	C	US-			
	D	US-			
	E	US-			
	F	US-			
	G	US-			
	H	US-			
	I	US-			
	J	US-			
	K	US-			
	L	US-			
	M	US-			

FOREIGN PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Country	Name	Classification
	N					
	O					
	P					
	Q					
	R					
	S					
	T					

NON-PATENT DOCUMENTS

*		Include as applicable: Author, Title Date, Publisher, Edition or Volume, Pertinent Pages)
	U	
	V	
	W	
	X	

*A copy of this reference is not being furnished with this Office action. (See MPEP § 707.05(a).)
Dates in MM-YYYY format are publication dates. Classifications may be US or foreign.

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